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8 Proposed Attorneys for Debtor-In-Possession

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UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

In re
Precision Swiss Products, Inc.,

Case No. 24-51678 MEH
Chapter 11

**STIPULATION RESOLVING ALL
DISPUTES BETWEEN DEBTOR
AND WEBFUNDER, LLC**

Debtor.

Debtor Precision Swiss Products, Inc., by and through its undersigned counsel, and Webfunder, LLC, by and through its undersigned counsel, state their Stipulation Resolving All Disputes between Debtor and Webfunder, LLC as follows:

BACKGROUND

1. On June 30, 2023, the Debtor and Webfunder, LLC entered into a Future Receivables Sale and Purchase Agreement (“Agreement”) under which the Debtor sold, assigned and transferred to Webfunder, LLC \$ 399,000 (“Purchased Amount”) of Receipts, as that term is defined in the Agreement.

2. On November 4, 2024 (“Petition Date”), the Debtor filed its voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in this Court.

1 3. Pre-petition the Debtor defaulted on the Agreement and Webfunder, LLC sent a
2 notice pursuant to UCC §9-406 to account debtor, Lam Research (“Notice”), which resulted in
3 Receipts due to the Debtor being held by Lam Research.

4 4. As of the Petition Date (and the date the Notice was sent to Lam Research), the
5 Debtor had not remitted \$84,712.32 of the Receipts it sold to Webfunder under the Agreement and
6 funds remained on hold by Lam Research per the Notice.

7 5. Webfunder sent a release to Lam Research directing it to pay all amounts from after
8 the Petition Date to the Debtor, but funds that were due prior to the Petition Date remain held.
9 Webfunder claims that such funds constitute the Receipts it purchased pre-petition that are not
0 property of the estate. Webfunder also asserts that the Debtor cannot use such funds or the funds
1 released to the Debtor as cash collateral because they are not property of the estate. The Debtor
2 disputes such contentions.

3 6. To avoid the time, expense, and uncertainty of litigating the complex issues raised
4 by Webfunder, the Debtor and Webfunder stipulate and agree as follows:

STIPULATION

6 7. Webfunder shall send a release to Lam Research that provides that \$25,000 is to be
7 forwarded to Webfunder and the remainder of the funds on hold shall be forwarded to the Debtor.

8. Webfunder shall have an allowed secured claim in the amount of \$84,712.32
9 (“Allowed Claim”). Webfunder is not required to file a proof of claim in this case.

20 9. The \$25,000 to be released to Webfunder by Lam Research shall be applied to the
21 Allowed Claim.

22 10. The remaining amount of the Allowed Claim after application of the \$25,000
23 (\$59,712.32) shall be paid in full through the Debtor's Plan of Reorganization and/or the sale of the
24 Debtor's assets.

25 11. The Debtor shall incorporate the terms of this Stipulation, either by reference or in
26 its entirety, into any proposed Plan of Reorganization.

12. Subject to payment of the \$25,000 being held by Lam Research to Webfunder and
incorporating this Stipulation into the Debtor's Plan of Reorganization, this Stipulation resolves any

1 and all issues between Debtor and Webfunder, including, without limitation, any asserted objections
2 to any claims, objections to confirmation of any proposed Plan of Reorganization, any and all claims
3 that could be brought via adversary proceeding, and objections to the use of cash collateral.

4 13. While this Stipulation intends to resolve any and all issues, Webfunder reserves the
5 right to object to the Plan of Reorganization to the extent the Plan of Reorganization does not
6 incorporate the terms of this Stipulation, or the Debtor otherwise defaults on the terms of this
7 Stipulation.

8 WHEREFORE, the Debtor and Webfunder respectfully request that the Court enter an Order
9 approving this resolution of all disputes between them and grant such other and further relief as this
10 Court deems just and proper.

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13 Dated: November 13, 2024

Kornfield, Nyberg, Bendes, Kuhner & Little, P.C.

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15 By:/s/ Chris D. Kuhner
16 (Bar No. 173291)
17 Proposed Attorneys for Debtor-In-Possession

18 Dated: November 13, 2024

KAMINSKI LAW, PLLC

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20 By: /s/ Shanna M. Kaminski
21 Shanna M. Kaminski
22 Counsel for Webfunder, LLC